

REMARKS

Claims 1-8 and 10-11 are pending.

In the Office action, the claims were rejected as follows:

- Claims 1-4, 6 and 11 are rejected as anticipated by EP 0 619 564 ("EP '564").
- Claims 5, 7, 8 and 10 are rejected as unpatentable over the combination of EP '564 and EP 0 196 192 ("EP '192").

As discussed below, applicant respectfully requests reconsideration.

Independent claims 1 and 10 recite, respectively, a machine for use in transactions and a method for operating a vending machine. The machine is operable to accept payment by diminishing the value of credit data stored on debit cards. In addition, the machine is operable to download aggregate credit data from vended articles in response to insertion of a download card into a card reader. Furthermore, the machine is operable to use identification information to recognize that a card is authorized to inhibit downloading, and in response thereto to prevent transfer of accumulated values to such cards authorized for downloading. The machine may inhibit a download request in response to a download card by previously recognizing a stop card, which has stored on it information identifying a download card and which prevents the identified download card from working with the machine.

Therefore, according to the claims 1 and 10, the machine can handle various cards that collectively have at least the following three different functions: (a) debit cards, *i.e.*, cards which store credit data that is decremented as payment for a transaction; (b) "download" cards, which receive from the machine data relating to transactions that have been carried out by the machine (*i.e.*, data which can be taken away and used for audit purposes); and (3) "stop" cards, *i.e.*, cards that carry information identifying a "download" card and that prevent the identified "download" card from being used with the machine.

The EP '564 reference discloses a user card 10, a master card 160 and a supervisor card 170. However, the functions of those cards are different from the features recited in pending claims 1 and 10.

For example, there is no disclosure in the EP '564 reference of the machine keeping a record of the accumulated value of payments made. Although that reference does disclose that a master balance may be debited (col. 21, lines 33 – 34), that relates to the balance of the *master* card, not to the machine's ability to maintain a record of the "accumulated value of the payments made" as recited in the pending claims. The EP '564 reference also mentions that a user can print out a transaction history (col. 23 lines 29 – 31). That, however, applies to the memory of the user card, not to the refilling machine (*see also* col. 21, lines 33 - 34).

Furthermore, the supervisor card disclosed in the EP '564 reference is significantly different from the stop card that can be "recognized" as "authorized for the purpose of inhibiting downloading."

The EP '564 reference discloses use of master cards 160 that may be debited for refilling transactions when an amount is credited to a user card 10. The master refilling card 160 remains locked until is it activated by the supervisor card 170 (col. 20, lines 1-11).

According to the disclosure of the EP '564 reference, the transfer of value from the master card to the user card will not occur in the following situations: (1) if the supervisor card is not present; (2) if the supervisor card does not recognize the master card (col. 21, lines 4 - 6); (3) if the user card fails its authentication (col. 21, lines 10 - 13); or (4) if the handshaking between the cards is not successful.

Claim 1 recites that the machine can "recognize" a card (*i.e.*, a stop card) as "authorized for the purposes of inhibiting downloading" and that, in response, prevents the transfer of accumulated values to cards authorized for downloading. The stop card prevents the downloading of data to a card which is authorized for downloading. In contrast, the supervisor card 170 disclosed in the EP '564 reference cannot be recognized so as to inhibit downloading to a card that previously was authorized for downloading. Nor is there any suggestion of doing so.

Therefore, there is no disclosure of suggestion in the EP '564v reference of a machine "operable to use the identification information to recognise that a card is authorised for the purpose of inhibiting downloading, and in response thereto to prevent transfer of accumulated values to cards authorised for downloading" as recited in claim 1. Similarly, there is no disclosure or suggestion of reading "a card storing data identifying the card as being authorized for the purpose of inhibiting downloading, the machine thereafter being inoperable for performing the downloading operation" with respect to another card that is otherwise authorized for such downloading, as recited in claim 10.

At least for the foregoing reasons, claims 1 and 10 should be allowable over the EP '564 reference.

Independent claims 6 and 11 also pertain to a machine and method of operating a machine, wherein the machine is operable to accept payment by reducing the value of credit data stored on a card. But the machine of these claims can use identification data to recognize a received card as a test card. In response to the test card, the machine permits an operation normally requiring payment to be carried out without a resultant reduction in stored credit data by the test card. In other words, the test card can be used for a free transaction. There is no disclosure of suggestion of such a feature in the EP '564 reference.

At least for that reason, claims 6 and 11 should be allowable as well.

The EP '192 reference also does not disclose or suggest the features missing from claims 1, 6, 10 and 11. The dependent claims should be allowable at least for the reasons discussed above.

It is believed that all of the pending claims have been addressed. However, the absence of a reply to a specific rejection, issue or comment does not signify agreement with or concession of that rejection, issue or comment. In addition, because the arguments made above may not be exhaustive, there may be reasons for patentability of any or all pending claims (or

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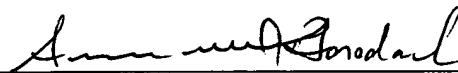
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other claims) that have not been expressed. Finally, nothing in this paper should be construed as an intent to concede any issue with regard to any claim, except as specifically stated in this paper, and the amendment of any claim does not necessarily signify concession of unpatentability of the claim prior to its amendment.

Enclosed is a check for the Petition for Extension of Time fee. Please apply any other charges or credits to deposit account 06-1050.

Respectfully submitted,

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